

REPORT TO: Safer Policy and Performance Board

DATE: 11th February 2020

REPORTING OFFICER: Strategic Director, People

PORTFOLIO: Trading Standards

SUBJECT: Detriment Prevented to Halton Residents

WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 The report describes how, through its various activities, Trading Standards has prevented detriment and saved Halton consumers at least **£262.2k**. An infographic summarising the savings is appended to this report. There are many other activities of the Service which are essential to protecting consumers and businesses from harm but which do not result in savings for Halton residents and so those activities are outside the scope of this report.

2.0 RECOMMENDATION: That the report be noted.

3.0 SUPPORTING INFORMATION

3.1 The ACTSO Impacts and Outcomes Framework

3.1.1 National performance indicators for Trading Standards were dispensed with by the government many years ago. The Association of Chief Trading Standards Officers (ACTSO) and the Trading Standards community considered this a barrier to Services demonstrating their impact.

3.1.2 In 2019, ACTSO developed and launched an Impacts and Outcomes Framework covering three themes: tackling detriment and preventing harm, supporting the local economy and promoting health and wellbeing.

3.1.3 Halton Trading Standards used the assessment tool and the Halton results fed into the national report 'The Value of Trading Standards'. Some of the data produced for the report has been used in this paper to calculate the total detriment prevented for Halton consumers. The national report is outside the scope of this paper, an electronic version can be circulated upon request.

3.2 Savings and detriment prevented by the consumer advice service

3.2.1 Halton's consumer advice service provides advice and support tailored to the needs of the consumer. In some instances, the consumer will only need expert advice to resolve the dispute with the trader. Other cases will require higher levels of support including letter writing or contacting the trader on the consumer's behalf. Wherever possible the service tries to assist parties to resolve disputes and avoid court action. Where such a resolution is not achieved, the service can assist consumers with the court process or represent the consumer in court where they are not able to represent themselves.

3.2.2 In the last financial year (2018-19) Halton's consumer advice service saved Halton residents **£32,001**. This figure represents money refunded and the value of free repairs and replacements. All of the cases that the advisors deal with have already been through the normal advice stages at the Citizen's Advice Consumer Helpline so they are by their nature difficult cases to resolve. In reality, the figure is likely to be much higher since only a relatively small percentage of consumers let us know the outcome of their complaint.

3.2.3 The consumer advice service provides the greatest support to consumers who need it most. Many of the consumers we deal with are facing severe challenges in their lives (such as illness, unemployment, bereavement) at the same time as being unable to resolve serious consumer issues which have often been unresolved for significant periods of time. Such consumers can suffer considerable detriment where the goods or services involved are necessary to meet their everyday basic needs e.g. a car needed for work or a kitchen or bathroom which leaves them without cooking or bathing facilities.

3.3 Detriment prevented by responding to live doorstep crime incidents

3.3.1 Doorstep Crime describes the practice of rogue trading where the rogue targets a consumer and deliberately over-charges for poor quality work or work that is not needed. They fail to complete or even start work. They will usually put pressure on the consumer to pay in cash, often before work starts. They always fail to honour the consumer's statutory rights and always leave the consumer seriously out of pocket and emotionally drained. Some rogue traders cold-call and some advertise in the press and social media.

3.3.2 Halton Trading Standards has an agreement with the Citizens Advice Consumer Helpline that they will make a hot referral where a consumer reports a doorstep crime incident that is in progress. Wherever possible we will provide an immediate response, attending the property with police support. We provide advice to the consumer about their rights to cancel the contract and end their liability to pay the remainder owing

under it. We also speak to the trader about his responsibilities and try to negotiate a refund to the consumer where that is appropriate.

3.3.3 In the last financial year, we have saved Halton residents **£10,790** through our rapid response to doorstep crime incidents.

3.4 **Detriment prevented through Scams work.**

3.4.1 Halton Trading Standards has two part-time scams officers who are dedicated to working with people who have been caught out by scams (on a one-to-one basis) and raising awareness with partner agencies, HBC services and community groups.

3.4.2 Last year we worked on a one-to-one basis with 66 individuals who had been caught out by scams. Many had been repeatedly targeted over long periods and had responded for a significant time.

3.4.3 In such cases, in order to support the person it is essential to learn about their life history and social, economic, psychological and physical situation so that the utility and meaning of the scam to the individual can be understood. Key life events (such as bereavement, job loss, ill health) affecting the individual that may have contributed to their becoming involved in scams also needs to be considered. By developing rapport and trust, explaining how scammers work and how many of us can get caught out when we're in a vulnerable situation, most of the 66 individuals are now able to identify scams and have stopped responding to them.

3.4.4 In the last financial year, the people that we worked with who have stopped responding to scams have saved **£104,618**, the collective amount they were spending on scams each year.

3.5 **Detriment saved because of iCAN warnings**

3.5.1 iCAN is an email alert system that is provided free of charge to Halton residents, community groups and partner agencies. iCAN is used to warn residents about doorstep crime incidents, current scams and product recalls.

Wherever possible, explanations as to how we know something is a scam are provided.

The messages contain information about how members can protect themselves from scams and what to do if they have been caught out by one.

Members who do not have access to email and who had been targeted by scammers are able to receive printed copies of the messages via post.

3.5.2 iCAN has 767 email members and 153 postal members. A survey of members was undertaken between the 4th and 27th of September 2019. Ninety-nine members responded.

3.5.3 Ninety five per cent of members are Halton residents. On average, each respondent passed on individual messages to 14 other people in Halton, which means that each message reached 12880 people.

3.5.4 In the last financial year, Trading Standards sent 24 messages warning about scams. Sixty two percent (61 members) said the information provided had saved them money. The average lost by individuals who are caught out by scams is £1862 (National Trading Standards Scams Team). Using the average loss per scam, it is likely that iCAN saved **£113,582** for the survey respondents.

3.6. **Detriment saved by the free loan of call-blocking devices**

3.6.1 Trading Standards have 11 trueCall units that are loaned out to people who have been caught out by scams and those receiving a high volume of nuisance and scam calls. The units let calls from the consumer's 'trusted numbers' straight through, it blocks unwelcome callers (nuisance and scams), and asks unrecognised callers to identify themselves before it puts them through.

3.6.2 In the last financial year, the units blocked 1,536 nuisance calls and 294 scam calls. The likelihood of falling for a scam phone call is one in 169 or 0.006%. Applying this to Halton, it is likely that two scams were prevented. Using The National Trading Standards Scams Team average loss, the figure saved in Halton last year was **£3229**.

3.6.3 It is also estimated, using data provided by the call-blocking device supplier, that an additional £2918 was saved in costs for social care and the NHS. This figure is calculated using research from the UK and USA which says that those who have fallen for a scam report a change to their quality of life as a result of the crime; are over twice as likely to have died or moved into full time care within 2 years of their loss; almost a third will have suffered a major depressive episode in the 20 months following the fraud and, 45% will have suffered a generalised anxiety disorder.

4.0 **POLICY IMPLICATIONS**

None

5.0 **FINANCIAL IMPLICATIONS**

None

6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

6.1 Children and Young People in Halton

None.

6.2 Employment, Learning and Skills in Halton

Tackling rogue traders is important because of the unfair advantage they have over legitimate businesses.

6.3 A Healthy Halton

The range of Trading Standards activities covered in this paper contribute to tackling detriment, preventing harm and promoting health and wellbeing. Dealing with consumer advice problems, scams and doorstep crime is incredibly stressful for the individual who may also be experiencing challenging life events or ill health.

6.4 A Safer Halton

Tackling rogue traders makes Halton a safer place to live.

6.5 Halton's Urban Renewal

None

7.0 RISK ANALYSIS

None – the report is for information only.

8.0 EQUALITY AND DIVERSITY ISSUES

None

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the Act.